

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: March 5, 1996

SUBJECT: **SB 3176 - HB 3166**

This bill, if enacted, will create the Department of Children's Services to provide service delivery to identified children and their families. The following services will be encompassed from each indicated department:

Department of Youth Development (DYD) - all services currently provided
Department of Human Services (DHS) - services currently provided through the Division of Social Service
Department of Mental Health and Mental Retardation - custody of children in need of mental health services
Department of Education - Tennessee Preparatory School (TPS)
Department of Health - the Division of Children's Services
Department of Finance and Administration - the Office of Children's Services Administration (CSA)

The Department of Children's Services will be the only department empowered to have custody of children under the proposed law.

Major changes provided by the bill include:

1. The maximum age of eligibility for children to receive services from the new department would be more restrictive than that previously applied to DYD. This bill would reduce the age for mandatory, court-ordered departmental services from 19 to 18 years of age. Additionally, persons, who are beyond their 18th birthday but who are charged with offenses that allegedly occurred prior to their 18th birthday, would be treated as adults.
2. Prior to acceptance of a petition in juvenile court alleging a child to be unruly, the child and family will have to receive services from the Department of Children's Services Juvenile-Family

SB 3176 - HB 3166

Crisis Intervention Program. Such program will have to certify the child for referral to the court before a petition will be accepted.

3. The Department of Children's Services will be responsible for licensing child abuse agencies, child-caring institutions, child-placing agencies, detention centers, family boarding or foster care homes, group care homes, maternity homes, and temporary holding resources. DHS will continue to license day care centers.
4. Formerly mandated accreditation of DYD facilities will become permissive so that the department can determine the best way to maintain high performance standards. Additionally, some DYD facilities that have not been licensed in the past as child caring institutions may now be so licensed.
5. Detention centers and temporary holding resource centers will now be licensed or approved by the Department of Children's Services rather than the Tennessee Corrections Institution.
6. The bill clarifies that the department will notify juvenile courts in writing of their intention to place children at home, regardless of the reason the child has been placed in custody (dependent and neglected, unruly, delinquent, or in need of mental health services under Title 33). The department will be obligated to give the court written notice 15 days prior to placing the child at home.
7. The community health agency law is deleted in its entirety and is substituted instead with the *Community Services Agency Act of 1996*. Although similar to CHAs, the CSAs will also have some material differences. CSAs will provide services for children and their families and can contract with other state agencies to provide other types of services.

The fiscal impact from enactment of this bill is estimated to be as follows:

1. local government expenditures for juvenile court services will increase; however, such increase is estimated to be not significant.
2. state expenditures for judicial processes involving criminal courts, district attorneys general and public defenders will increase; however, such increase is estimated to be not significant.
3. the transfer of functions and positions from affected departments to the new Department of Children's Services will be minimal.

4. provisions of the bill reducing the age of persons to be under the jurisdiction of juvenile courts and persons eligible for services from the Department of Children's Services will result in additional youths being tried in criminal court and sentenced as adults to the Department of Correction. These additional commitments to the Department of Correction will require a transfer of funds under the Sentencing Act of 1985.
5. while provisions regarding the age of offenders will result in a cost avoidance for the Department of Children's Services for youths committed to the Department of Correction, it is estimated that the department will experience an increase in state expenditures from commitment of certain 17 year olds who had previously been placed on probation. Details of expenditures and cost avoidance are as follows:

Cost Avoidance for DCS

96 (17 year olds) to DOC	\$3,151,200	
22 (18 year olds) to DOC	722,200	
22 (18 year old probation to DOC probation)	<u>84,600</u>	
		\$3,958,000

Increase in Expen. for DCS

56 additional 17 year old commit- ments previously on probation	1,767,100
--	-----------

Increase in Expen. of DOC

Sentencing Act (111 offenders)	1,809,800
Probation	<u>40,200</u>

Net Cost Avoidance to DCS **\$340,900**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director